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PUBLIC

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

OMB APPROVAL	
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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 1, 2019 AND ENDING December 31, 2019  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: MD GLOBAL PARTNERS LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
2 PARK AVENUE 20TH FL

OFFICIAL USE ONLY
FIRM I.D. NO.

	(No. and Street)	
NEW YORK	NY	10016
(City)	(State)	(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
JOHN MILLER 917-620-6006

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

WWC PC

(Name - if individual, state last, first, middle name)			
2010 PIONEER COURT	SAN MATEO	CA	94403
(Address)	(City)	(State)	(Zip Code)

**CHECK ONE:**

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (11-05)

Potential persons who are to respond to the collection of  
information contained in this form are not required to respond  
unless the form displays a currently valid OMB control number.

## OATH OR AFFIRMATION

I, Owen May, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MD GLOBAL PARTNERS LLC, as of December 31, 2019, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

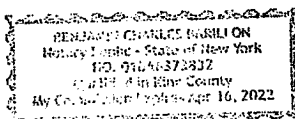
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Signature

Managing Member

Title

  
Notary Public



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

# MD Global Partners, LLC

Financial Statements and Supplemental Information  
Pursuant to SEC Rule 17a-5

December 31, 2019

**PUBLIC**

The accompanying notes are an integral part of these financial statements



**WWC, P.C.** CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholder  
of MD Global Partners, LLC

**Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of MD Global Partners, LLC as of December 31, 2019, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of MD Global Partners, LLC as of December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of MD Global Partners, LLC's management. Our responsibility is to express an opinion on MD Global Partners, LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to MD Global Partners, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*WWC, P.C.*

WWC, P.C.

We have served as MD Global Partners, LLC's auditor since 2018.

San Mateo, CA  
March 7, 2020

MD Global Partners, LLC  
Statement of Financial Condition  
December 31, 2019

**Assets**

Cash and cash equivalents	\$	141,015
Deposits with clearing broker		50,000
Commissions receivable		3,817
Deposits		5,560
Total Assets		<hr/> 200,392

**Liabilities**

Accounts payable and accrued expenses		17,343
Commissions payable		112,905
Total Liabilities		<hr/> 130,248

**Member's Equity**

Member's equity		70,144
Total member's equity		<hr/> 70,144
Total liabilities and member's equity	\$	<hr/> 200,392

The accompanying notes are an integral part of these financial statements

**Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General**

Black Capital Partners, LLC was formed on November 21, 2005 in Delaware and commenced operations on April 1, 2006. The Company is registered as a broker-dealer pursuant to the Securities Exchange Act of 1934, became a member of the Financial Industry Regulatory Authority ("FINRA") on September 18, 2006 and is a member of the Securities Investor Protection Corporation ("SIPC"). In 2007, the Company changed its name to May Davis Partners, LLC and in 2009 the Company changed its name to MD Global Partners, LLC (the "Company").

The Company provides a variety of broker-dealer services that include placement agent (or finder) for investment companies and private equity funds; third party marketing and providing M&A advisory services.

**Summary of Significant Accounting Policies**

*Presentation and Estimates*

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents*

For purposes relating to the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business.

*Accounts and Commissions Receivable*

Receivables are recorded and stated at face value when collectability is reasonably assured. The Company incurred no bad debt expense during 2019. Management assessed its outstanding receivables at December 31, 2019 and determined that an allowance was unnecessary as the balance was due from its clearing broker.

*Investments*

The Company has adopted FASB ASC 320, Investments — Debt and Equity Securities. As such, marketable securities held by the Company are classified as trading securities and stated at their fair market value based on quoted market prices. Realized gains or losses from the sale of marketable securities are computed based on specific identification of historical cost. Unrealized gains or losses on marketable securities are computed based on specific identification of recorded cost, with the change in fair value during the period included in income. The Company held no marketable securities at December 31, 2019.

### *Revenue Recognition*

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Revenue Recognition), which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of the revenue model is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU defines the promised good or service as the performance obligation under the contract.

In accordance with the new revenue recognition standard, the Company has identified the specific performance obligation (promised services) associated with the contract with the customer and has determined when that specific performance obligation has been satisfied, which may be at a point in time or over time depending on how the performance obligation is defined. The contracts with customers also contain the transaction price, which consists of fixed consideration and/or consideration that may vary (variable consideration), and is defined as the amount of consideration an entity expects to be entitled to when or as the performance obligation is satisfied.

The new revenue recognition standard further clarified the guidance related to reporting revenue gross as principal versus net as an agent.

*Commissions* Commission income is recognized when the customer has agreed with the Company on the security to be transacted and the amount of commission to be charged, the service has been rendered, at which point there are no outstanding performance obligations due to the customer, and the Company is assured that its commission fee will be received. Brokerage commissions are derived from executing transactions for clients on exchanges and over-the-counter markets, sales of mutual funds, providing brokerage services and other such activities. Transactions in securities, including the related commission revenues and expenses, are recorded on a trade-date basis as securities transactions occur.

*Advisory Fees* Advisory fees income is recognized when the Company has entered into agreement for professional services with its customers which includes the fees to be charged and the scope of services, the services have been rendered, there are not outstanding obligations regarding such services, and fees are reasonably expected to be collected.

*Placement Agent Fees* Placement agent fees arise from securities offerings in which the Company acts as an agent on behalf of its customer to either newly issued securities or find buyers in the primary market on behalf of its customers. Placement agent fees are recorded when the placement or transaction has been completed, and there are no remaining outstanding performance obligations under the terms of a contractual arrangement, and the fees are reasonably determinable and expected to be collected.

**Note 2: DEPOSIT WITH CLEARING ORGANIZATION**

The Company has a brokerage agreement with RBC Capital Markets ("Clearing Broker") to carry its account and the accounts of its clients as customers of the Clearing Broker. The Clearing Broker has custody of the Company's cash balances which serve as collateral for any amounts due to the Clearing Broker as well as collateral for securities sold short or securities purchased on margin. Interest is paid monthly on these cash deposits at the average overnight repurchase rate. The balance at December 31, 2019 was \$50,000.

**Note 3: INCOME TAXES**

The Company operates as a single member limited liability company and is treated as a disregarded entity for tax purposes. Accordingly, all tax effects of the Company's income or loss are passed through to the member and no provision or liability for Federal Income Taxes is included in these financial statements. However, the Company is subject to the New York City Unincorporated Business Tax ('UBT'). For the year ended December 31, 2019, the Company incurred a 'UBT' tax liability of \$5,855. The expense is included in Other operating expenses on the Statement of Income and Accounts payable and accrued liabilities on the Statement of Financial Condition.

The Company is required to file income tax returns in both state and local tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. The statute of limitations for state and local purposes is generally three years but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of December 31, 2019, the taxing authorities have not proposed any adjustment to the Company's tax position.

**Note 4: OCCUPANCY**

The Company leases office space under an addendum dated November 7, 2019. The monthly rental fee is \$5,000. The lease has term of less than one year, and it includes 45-day exit notice should the Company wish to vacate the space. Accordingly, the Company has elected the exemption to not record this lease as a right of use asset under ASC 842.

Occupancy expense for the year ended December 31, 2019 was \$53,200. The Company has a security deposit in the amount of \$5,560. Accordingly, the Company has elected the exemption to not record this lease as a right of use asset under ASC 842.

**Note 5: CONCENTRATIONS OF RISK**

*Credit Risk*

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash balances which at times may be in excess of insured amounts. It is the Company's policy to review, as necessary, the credit standing of its counterparties.



*Demand Risk*

One customer for whom the Company acted as placement agent for the year ended December 31, 2019 constituted 46% of the Company total revenues

**Note 6: COMMITMENT AND CONTINGENCIES**

In January 2020, the Company was named as an additional defendant in a lawsuit pending in the US District Court for the District of Connecticut. The third-party claim accuses the Company of breach of contract and other unfair business practices. The claimant is seeking a return of fees paid to MD Global and its brokers as well as damages. The Company believes the claims are without merit and will fight them vigorously. Management is not currently able to estimate probable losses as result of this potential claim.

**Note 7: GUARANTEES**

FASB ASC 460, Guarantees, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others.

The Company has issued no guarantees at December 31, 2019 or during the year then ended.

**Note 8: SUBSEQUENT EVENTS**

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, except for the issues disclosed in Note 6 above, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

**Note 9: RECENTLY ISSUED ACCOUNTING STANDARDS**

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASUs").

For the year ending December 31, 2019, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended.

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

**Note 10: NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn, or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2019, the Company had net capital of \$64,584 which was \$55,901 in excess of its required net capital of \$8,683 and the Company's ratio of aggregate indebtedness of \$130,248 to net capital was 2.01 to 1, which is less than the 15 to 1 maximum allowed.



NYPPEX, LLC  
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March 12, 2020

**SEC Mail Processing**

Securities and Exchange Commission  
Division of Trading and Markets  
Mail Stop 7010  
100 F Street, NE  
Washington, DC 20549

MAR 13 2020

**Washington, DC**

Gentlemen:

Pursuant to Rule 17a-5(d), we are pleased to enclose two certified copies of the **Financial Statements** with independent auditors' reports, for **NYPPEX, LLC, SEC #8-51849** as of and for the year ended December 31, 2019. Please note that the report is marked "**Confidential**" so that the information contained therein is kept confidential.

We have also included two copies of the **Statement of Financial Condition**.

Please acknowledge receipt of the above to us, using the enclosed envelope.

Very truly yours,

A handwritten signature in black ink, appearing to read "Louis A. Almerini".

Louis A. Almerini  
Financial and Operations Principal  
NYPPEX, LLC

Enclosures,

Received by (stamp) \_\_\_\_\_

Date and time received \_\_\_\_\_

Printed name and signed by \_\_\_\_\_